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Lyons gets help for gas system

Federal government assists in replacing leak-prone lines

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LYONS - The federal government will provide the crucial help needed by the city of Lyons to replace its leak-prone natural gas distribution system, according to local leaders.

The U.S. Department of Agriculture's \$3,276,900 guaranteed backing of general obligation bonds will give Lyons favorable financial conditions.

A fixed interest rate at 4.375 percent over 40 years, with no penalty for early retirement of the bonds, "will save the consumers a considerable amount of money," City Administrator John Sweet said.

Earlier this month, city officials received confirmation that the federal government would back the bonds. On Saturday morning, U.S. Rep. Jerry Moran, R-Hays, and Chuck Banks, Kansas state director for USDA Rural Development, participated in a ceremony in Lyons announcing the assistance.

The project could not be accomplished without this support, said Mayor Clarence Moses, expressing gratitude to the USDA and Moran.

A leak survey conducted in 2005 revealed 219 leaks in Lyons, and the Kansas Corporation Commission pressed the city to take action. Instead of a 10- to 15-year replacement program, Lyons plans to have the new system completely installed and operating in about 12 months.

Sweet said the overall project probably would cost about \$3.4 million. The bonds will not be issued until after the project is designed and constructed.

The city's utility serves about 1,700 residential and business customers.

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